

**HUMAN SERVICES DEPARTMENT[441]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” and Chapter 85, “Services in Psychiatric Institutions,” Iowa Administrative Code.

These amendments restore the 5 percent reduction in the maximum Medicaid reimbursement rate for care in a non-state-owned psychiatric medical institution for children (PMIC) that was implemented in December 2009 as a result of Executive Order 19.

These amendments were Adopted and Filed Emergency and were published in the Iowa Administrative Bulletin on September 7, 2011, as **ARC 9710B**. Notice of Intended Action to solicit comment on these amendments was published as **ARC 9711B** on the same date. The Department received no comments on the Notice of Intended Action. These amendments are identical to those published under Notice of Intended Action and Adopted and Filed Emergency.

The Council on Human Services adopted these amendments on February 8, 2012.

These amendments do not provide for waivers in specified situations because higher reimbursement is a benefit to the facilities. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.4 and 2011 Iowa Acts, House File 649, section 28, subsection 1(i)(2).

These amendments shall become effective April 11, 2012, at which time the Adopted and Filed Emergency amendments are rescinded.

The following amendments are adopted.

ITEM 1. Amend subrule **79.1(2)**, provider category “Psychiatric medical institutions for children,” as follows:

| <u>Provider category</u>                      | <u>Basis of reimbursement</u> | <u>Upper limit</u>  |
|---|-------------------------------|---|
| Psychiatric medical institutions for children |                               |   |
| 1. Inpatient                                  | Retrospective cost-related    | Effective 8/1/11: Actual and allowable cost not to exceed a maximum for non-state-owned providers of 103% of patient-day-weighted average costs of non-state-owned providers located within Iowa less 5%. |
| 2. Outpatient day treatment                   | Fee schedule                  | Effective 8/1/11: Fee schedule in effect 11/30/09 less 5%.  |

ITEM 2. Amend paragraph **85.25(1)“c”** as follows:

c. For services rendered ~~July 1, 2010, through June 30, 2011~~, on or after August 1, 2011, rates paid shall be adjusted to 100 percent of the facility’s actual and allowable average costs per patient day, based on the cost information submitted pursuant to paragraphs 85.25(1)“a” and “b,” subject to the upper limit provided in 441—subrule 79.1(2) for non-state-owned facilities. Before rate adjustment, providers shall

be paid a prospective interim rate equal to the previous year's retrospectively calculated unit-of-service rate.

[Filed 2/8/12, effective 4/11/12]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/7/12.